

How to alleviate the financial pressure of skyrocketing medical co-payments

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21 Sep 2023

A co-payment is a fee required by your medical aid plan for a medical procedure or treatment, often associated with in-hospital procedures, and can be a fixed amount or percentage of medical expenses.

It is required to share costs between the medical aid scheme and its members to reduce risk and keep premiums down, but due to rising costs, co-payments are becoming more frequent and expensive.

Rampant medical inflation has resulted in co-payments being costlier and more frequent than ever, and gap cover has become essential in decreasing the burden of these costs for medical scheme members.



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When will I have to pay a co-payment?

The specific treatments and services that attract co-payments can vary depending on the medical aid scheme and the specific plan or option that the member has selected. Some common co-payments include hospital admissions, especially for non-Designated Service Provider (DSP) hospitals and service providers, MRI and CT scans, colonoscopies and gastroscopies, specialist consultations and procedures, pathology and blood work and prescribed medications.

In addition, on certain medical aid plans and schemes, illnesses like cancer will attract co-payments once an annual limit in cover has been reached. These co-payments must often be paid upfront before any treatment or services are rendered.

How much will my co-payment cost?

Co-payments are similar to an excess that you pay with household or car insurance. They are a way of mitigating risk for medical aid schemes, as well as a way of keeping premiums down in the face of medical inflation. The cost of the co-payment varies depending on the treatment, procedure, medical scheme and plan option.

For instance, the lower-tier medical aid plans will have higher and more frequent co-payments, whereas the higher plans with higher premiums will have fewer co-payments of typically lesser value.

Up front co-payments for using non-DSP hospitals can range from R5,000 to in excess of R30,000 depending on the medical scheme, plan option, procedure and so on, and co-payments for cancer treatments can be closer to R40,000. There are increasing numbers of co-payments now exceeding the R30,000 mark – a significant sum of money that few people have available, and yet without paying it, you will not receive treatment.

How can gap cover help me?

Gap cover offers an additional insurance option for medical scheme members to assist with covering co-payments resulting from medical expenses. This includes the non-DSP hospital co-payment as well as co-payments for scopes like gastroscopies and colonoscopies, scans such as MRIs and CT scans, and co-payments for doctors and specialists. Depending on the gap cover policy, this cover can be a specified amount per claim, or an unlimited benefit subject to the overall annual limit of gap cover, which is currently R185,837.63 per insured person per year for 2023.

Given that the list of procedures and treatments requiring a co-payment continues to grow, and many people have opted for lower medical aid plans as a way of maintaining cover while dealing with limited budgets, gap cover has become essential.

It offers an affordable way of providing peace of mind that these sums can be claimed back and that the cost of medical treatments will not cause ongoing financial hardship. Speak to your broker or financial advisor to find the best gap cover policy to suit your needs.

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